



House of Representatives

General Assembly

File No. 290

January Session, 2001

Substitute House Bill No. 6977

House of Representatives, April 12, 2001

The Committee on Labor and Public Employees reported through REP. DONOVAN of the 84th Dist., Chairperson of the Committee on the part of the House, that the substitute bill ought to pass.

AN ACT CONCERNING DEBARMENT REFORM.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 31-53a of the general statutes is repealed and the following
2 is substituted in lieu thereof:

3 (a) The State Comptroller or the contracting authority acting
4 pursuant to section 31-53 is hereby authorized and directed to pay to
5 mechanics, laborers and [workmen] workers from any accrued
6 payments withheld under the terms of a contract terminated pursuant
7 to subsection (b) of said section 31-53 any wages found to be due such
8 mechanics, laborers and [workmen] workers pursuant to said section
9 31-53. The Labor Commissioner is further authorized and directed to
10 distribute a list to all departments of the state and political
11 subdivisions [thereof] of the state giving the names of persons or firms
12 whom [he] the Labor Commissioner has found to have disregarded
13 their obligations under said section 31-53 and section 31-76c to

14 employees and subcontractors on public works projects or to have
15 been barred from federal government contracts in accordance with the
16 provisions of the Davis-Bacon Act, 49 Stat. 1011 (1931), 40 USC 276a-2.

17 (b) (1) No contract shall be awarded by the state or any of its
18 political subdivisions to the persons or firms appearing on this list or
19 to any firm, corporation, partnership, or association in which such
20 persons or firms have an interest until a period of up to three years, as
21 determined by the Labor Commissioner, has elapsed from the date of
22 publication of the list containing the names of such persons or firms.

23 (2) No general contractor that enters into a contract with the state or
24 any of its agents, or with any political subdivision of the state or any of
25 its agents, for the construction, remodeling, refinishing, refurbishing,
26 rehabilitation, alteration or repair of any public works project that
27 meets the requirements of subsection (g) of section 31-53, shall award
28 any work under such contract to the persons or firms appearing on this
29 list or to any firm, corporation, partnership or association in which
30 such persons or firms have an interest until a period of up to three
31 years, as determined by the Labor Commissioner, has elapsed from the
32 date of publication of the list containing the names of such persons or
33 firms.

34 ~~[(b)]~~ (c) If the accrued payments withheld under the terms of a
35 contract terminated pursuant to subsection (b) of section 31-53 are
36 insufficient to reimburse all the mechanics, laborers and [workmen]
37 workers with respect to whom there has been a failure to pay the
38 wages required pursuant to said section 31-53, such mechanics,
39 laborers and [workmen] workers shall have the right of action and of
40 intervention against the contractor and [his] the contractor's sureties
41 conferred by law upon persons furnishing labor or materials, and in
42 such proceedings it shall be no defense that such mechanics, laborers
43 and [workmen] workers accepted or agreed to accept less than the
44 required wages or that such persons voluntarily made refunds.

Statement of Legislative Commissioners:

Subdivision (2) of subsection (b) was rewritten for clarity.

LAB *JOINT FAVORABLE SUBST.-LCO*

The following fiscal impact statement and bill analysis are prepared for the benefit of members of the General Assembly, solely for the purpose of information, summarization, and explanation, and do not represent the intent of the General Assembly or either House thereof for any purpose:

OFA Fiscal Note

State Impact: None

Affected Agencies: Department of Labor, Various State Agencies

Municipal Impact: None

OLR Bill Analysis*sHB 6977****AN ACT CONCERNING DEBARMENT REFORM.*****SUMMARY:**

This bill prohibits a general contractor that enters into a contract with the state or a municipality for a project covered by the state prevailing wage law from subcontracting any such work, for up to three years, to persons or firms appearing on the Department of Labor's (DOL) "debarment list." It also prohibits a general contractor from subcontracting any such work to any entity in which listed persons or firms have an interest.

EFFECTIVE DATE: October 1, 2001

BACKGROUND***Debarment list***

DOL compiles a list of employers that have violated state or federal prevailing wage or overtime laws and distributes it to all local and state departments. The list is referred to as the debarment list. The law prohibits public agencies from awarding contracts to an employer appearing on the list, or any entity such employer has an interest in, until up to three years have elapsed from the date of publication of the list.

State Prevailing Wage Law

The state prevailing wage law requires contractors working on state or local public works construction, remodeling, refinishing, rehabilitation, alteration, or repair projects over a certain size to pay workers on the project an hourly wage at least equal to that customarily paid for the same work in the town where the work is performed. Contractors must also make the customary contribution to any employee welfare fund that covers the employees, or if there is none, pay the

contributions directly to the employees. The law applies to state and local projects costing \$400,000 or more if the project involves new construction, or costing \$100,000 or more if it involves repairs or changes in an existing structure.

COMMITTEE ACTION

Labor and Public Employees Committee

Joint Favorable Report

Yea 14 Nay 0